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MICHIGAN'S LABOR MARKET NEWS

Volume 49 Number 8 *October 1993*

JOBLESS RATE DECLINES SHARPLY

Michigan's unemployment rate declined by 1.5 percentage points as the jobless rate dropped from 7.8 percent in July to 6.3 percent in August. The August unemployment rate was the lowest registered in Michigan since April 1989, and for the fifth time this year stood below the national level (6.5 percent unadjusted). The rate decrease represents 72,000 fewer individuals out of work, as the number of residents seeking employment fell to 301,000. The decrease in unemployment was attributed mainly to a seasonal drop in the labor force. Many workers who did not find summer employment, began leaving the job market.

Compared with a year ago, labor force and employment have expanded by 64,000 and 164,000 respectively, while unemployment declined by 99,000. This has resulted in an over the year drop of 2.2 percentage points in the state's unemployment rate.

WAGE AND SALARY EMPLOYMENT UP IN AUGUST

Total wage and salary employment in Michigan increased, as industry jobs advanced to 3,933,700 in August. Employment opportunities edged upward by 2,000 as gains were centered in the goods producing industries. Goods producing jobs advanced by 4,500, primarily as a result of scattered gains in both the durable goods and the nondurable goods industries. Service producing employment lost 2,500 jobs during August, as temporary, end-of-the-summer closures of state and local higher educational facilities cancelled out modest gains in the retail trade and services industries.

In August, the average workweek in the state's manufacturing industries increased to 42.8 hours from 41.7 hours the previous month. The gain was due to additional hours worked by individuals in the automotive and related industries. Over the month, average hourly earnings advanced by seven cents to $15.16. As a result, average weekly earnings in manufacturing reached $648.85, a gain of $19.60 over July's total.

HOURS AND EARNINGS
MICHIGAN

	Average Hourly Earnings		Average Weekly Hours	
	1993		1993	
	Aug.	Jul.	Aug.	Jul.
Manufacturing	15.16	15.09	42.8	41.7
Durables	16.14	16.02	43.1	42.0
Motor Vehicles	19.74	19.62	43.0	41.1
Nondurables	12.21	12.29	41.8	40.8

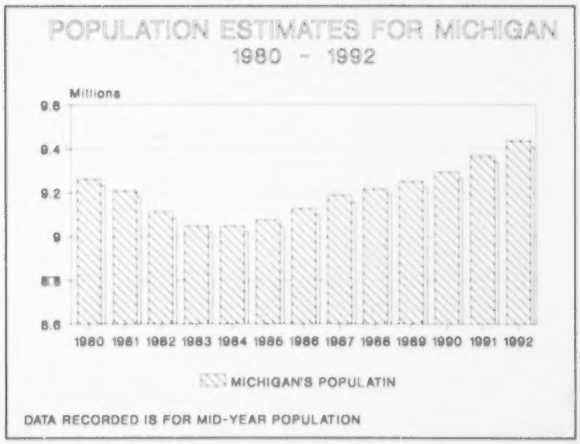
MICHIGAN'S POPULATION CONTINUES TO EXPAND

According to estimates recently released by the Bureau of the Census, Michigan's population growth rate from 1991 to 1992, although moderate by national standards, was the highest recorded in the state since 1970-1971. Michigan's growth rate of 0.74 percent continues an expansion trend which began in 1983-1984, following four years of population loss.

The recent growth in Michigan's population is primarily the result of a steady increase in the number of births, along with a substantial decline in the net out-migration of individuals from the state. Because of the unusually large number of workers employed in its manufacturing industries, Michigan tends to experience a strong out-migration of workers during recessions and heavy in-migration during recoveries. The near balance observed between in-migration and out-migration during 1991, is a positive development, particularly for a recessionary period, and is attributed to the steadily improving economic climate in Michigan. Should the net migration continue to improve as in previous recoveries, Michigan may experience a substantial population growth during the middle of the decade.

Preliminary county population estimates for 1991 indicate that 22 counties grew by more than 2 percent since 1990 Census, while only eight counties lost population. The highest estimated growth rate was 4.1 percent in Alger county, where the construction of a new prison has expanded local employment. Rapid growth also continued in much of the northern lower peninsula and in Ottawa, Livingston and Lapeer counties.

Source: Michigan Department of Management and Budget, Demographic Research and Statistics.



	Michigan (Data in Thousands)		
	Aug 1993	Jul 1993	Aug 1992
Place of Residence			
Labor Force	4,769	4,790	4,705
Employment	4,468	4,416	4,304
Unemployment	301	373	401
Rate (Percent)	6.3	7.8	8.5
Place of Work			
Total Employment	3,934	3,932	3,920
Goods Producing	1,047	1,042	1,057
Const. & Mining	156	158	153
Manufacturing	890	884	905
Durable Goods	653	650	672
Primary Metals	36	36	36
Fabricated Metals	115	112	115
Trans. Equip.	265	265	287
Nondurable Goods	237	234	233
Food & Kindred	47	46	47
Other Nondurable	190	188	187
Service Producing	2,887	2,889	2,862
Tran. Comm. Util.	157	157	156
Wholesale Trade	200	201	202
Retail Trade	750	746	739
General Merch.	116	114	115
Eating & Drinking	269	267	263
Fin. Ins. Real Est.	191	191	191
Finance	87	87	87
Services	1,017	1,015	984
Business Services	202	199	194
Health Services	334	334	325
Other Services	481	481	465
Government	572	580	590
Federal	56	57	58
State	147	149	150
Local	369	374	381
Labor Disputes	2.2	0.2	0.3

Civilian Labor Force and Wage & Salary Estimates

	Ann Arbor			Battle Creek			Benton Harbor		
	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992
Place of Residence									
Labor Force	161,700	165,200	161,200	67,100	67,000	66,000	81,700	81,600	80,700
Employment	155,800	157,800	152,700	63,200	62,200	61,100	76,400	75,100	73,600
Unemployment	6,000	7,400	8,500	3,900	4,900	4,800	5,300	6,400	7,100
Rate (Percent)	3.7	4.5	5.2	5.9	7.3	7.3	6.5	7.9	8.8
Place of Work									
Total Employment	168,100	172,100	170,400	60,400	60,000	59,900	67,300	66,900	67,100
Construction & Mining	4,300	4,300	4,000	2,200	2,200	2,100	2,000	2,000	2,000
Manufacturing	34,000	35,100	35,300	16,500	16,200	16,300	20,000	19,900	20,300
Tran., Comm. & Utilities	4,000	4,000	4,300	1,900	2,000	1,800	3,100	3,000	2,900
Wholesale Trade	4,700	4,700	4,900	1,700	1,700	1,700	2,300	2,300	2,300
Retail Trade	25,800	25,800	25,600	11,500	11,500	11,400	12,600	12,500	12,300
Fin., Ins. & Real Estate	5,300	5,300	5,300	3,100	3,100	3,100	2,600	2,600	2,700
Services	40,700	40,800	40,100	12,600	12,300	12,500	15,800	15,800	15,600
Government	49,400	52,100	51,000	10,900	11,000	11,000	9,000	8,800	9,000
Labor Disputes	0	0	0	0	0	0	0	0	0

	Jackson			Kalamazoo			Lansing		
	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992
Place of Residence									
Labor Force	67,500	67,900	67,300	123,600	123,400	122,400	239,500	241,400	238,100
Employment	62,800	62,100	60,400	119,000	117,600	115,600	223,900	228,500	224,400
Unemployment	4,700	5,800	6,800	4,700	5,800	6,800	15,600	12,900	13,700
Rate (Percent)	7.0	8.6	10.1	3.8	4.7	5.6	6.5	5.3	5.8
Place of Work									
Total Employment	54,000	53,800	53,600	113,500	113,100	112,600	201,200	206,900	208,200
Construction & Mining	1,700	1,700	1,700	4,500	4,400	4,400	6,800	6,900	6,900
Manufacturing	12,000	12,000	12,000	27,600	27,300	28,100	22,200	28,100	29,900
Tran., Comm. & Utilities	3,600	3,600	3,500	3,100	3,100	3,300	6,600	6,600	6,500
Wholesale Trade	2,200	2,200	2,200	4,500	4,500	4,500	8,600	8,600	8,700
Retail Trade	11,500	11,400	11,200	21,500	21,500	21,200	38,900	38,100	38,400
Fin., Ins. & Real Estate	1,600	1,700	1,800	6,400	6,400	6,200	12,800	12,800	12,500
Services	12,100	11,900	11,600	30,700	30,600	29,800	46,700	46,600	44,300
Government	9,300	9,400	9,500	15,200	15,200	15,200	58,700	59,100	61,000
Labor Disputes	0	0	0	0	0	0	0	0	0

Civilian Labor Force and Wage & Salary Estimates

	Detroit (Data in Thousands)			Flint			Grand Rapids		
	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992
Place of Residence									
Labor Force	2,213	2,225	2,175	184,500	188,000	188,300	405,700	404,200	395,800
Employment	2,072	2,041	1,986	167,500	167,100	163,300	387,100	380,300	367,400
Unemployment	141	184	188	17,100	20,800	25,000	18,700	23,900	28,400
Rate (Percent)	6.4	8.3	8.7	9.2	11.1	13.3	4.6	5.9	7.2
Place of Work									
Total Employment	1,897	1,885	1,880	161,500	162,700	163,000	368,800	365,400	361,200
Construction & Mining	64	65	62	6,000	5,800	5,200	17,200	16,900	16,800
Manufacturing	428	417	421	44,500	44,900	47,100	101,700	100,000	100,900
Tran., Comm. & Utilities	88	89	87	4,500	4,600	4,800	13,700	13,600	13,300
Wholesale Trade	112	112	113	7,000	7,100	7,200	28,300	28,200	27,600
Retail Trade	345	343	341	32,700	32,400	33,100	68,800	68,000	67,800
Fin., Ins. & Real Estate	107	107	109	6,000	6,000	5,900	17,400	17,200	16,700
Services	538	537	525	41,400	42,100	38,900	89,500	88,900	86,000
Government	214	216	221	19,300	19,700	20,900	32,200	32,500	32,100
Labor Disputes	0	0	0.2	0	0	0.1	0.1	0	0

	Muskegon			Saginaw - Bay - Midland			Upper Peninsula		
	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992	Aug 1993	Jul 1993	Aug 1992
Place of Residence									
Labor Force	68,700	68,700	69,700	196,600	196,700	194,800	160,600	160,400	157,000
Employment	62,600	61,700	61,200	184,800	182,100	179,200	149,200	147,200	142,500
Unemployment	6,100	7,000	8,400	11,800	14,600	15,700	11,400	13,100	14,500
Rate (Percent)	8.8	10.2	12.1	6.0	7.4	8.0	7.1	8.2	9.2
Place of Work									
Total Employment	56,900	56,600	57,600	165,700	164,600	166,200	119,500	120,800	119,300
Construction & Mining	2,300	2,400	2,200	9,100	9,100	8,200	6,700	8,500	8,800
Manufacturing	14,500	14,200	15,100	41,900	41,400	43,400	15,400	15,300	15,500
Tran., Comm. & Utilities	2,200	2,200	2,300	6,400	6,400	6,400	5,800	5,900	5,900
Wholesale Trade	2,200	2,300	2,200	5,900	5,900	6,100	3,300	3,300	3,200
Retail Trade	11,500	11,400	11,800	35,800	35,500	35,500	26,200	26,000	25,600
Fin., Ins. & Real Estate	1,800	1,800	1,800	6,300	6,200	6,200	4,300	4,300	4,300
Services	13,400	13,600	13,000	41,000	40,800	39,900	26,000	25,700	24,500
Government	8,900	8,700	9,100	19,300	19,300	20,600	31,800	31,800	31,600
Labor Disputes	0.1	0.1	0	0	0	0	1.9	0	0

MAJOR LABOR MARKET AREAS

UNEMPLOYMENT DECLINES IN MOST MAJOR AREAS

August unemployment rate fell in eleven out of Michigan's 12 major labor market areas, as the tourism and vacationing season reached its peak. Most areas recorded employment gains in the recreational and amusement industries as well as hotels and eating and drinking establishments. Job levels also advanced in the construction, retail trade and food processing sectors. The only major area to record an increase in its jobless rate was Lansing, following some temporary layoffs in its local auto manufacturing plants.

Among the state's major labor market areas, Ann Arbor continued to exhibit the lowest unemployment rate at 3.7 percent, closely followed by Kalamazoo with 3.8 percent, while the Flint area had the highest rate at 9.2 percent. The Flint area also shared with Detroit the largest rate change in August, a decrease of 1.9 percent for the month. The Lansing area recorded the only rate gain, increasing from 5.3 to 6.5 percent. Compared with a year ago, the jobless rate fell considerably in most major areas. The most significant declines were registered in the Flint and Muskegon metropolitan statistical areas, in which the unemployment rate fell by 4.1 and 3.3 percentage points respectively. The Detroit area lost 2.3 percentage points, down to 6.4 percent for the month.

SEASONAL FLUCTUATIONS IN PAYROLL EMPLOYMENT

Wage and salary employment in the major areas revealed a mixed picture that can be often observed at the end of the summer, when the economy begins to prepare for the arrival of autumn. On one hand, all educational facilities including colleges closed in August in preparation for the upcoming fall semester, causing employment to drop even further in state and local education. On the other hand, employment increased in industries such as business services and personnel supply services, as many businesses prepare for fall activities. Among the major areas, the Detroit metropolitan area enjoyed the largest employment gains. These gains were recorded mainly in transportation equipment industries as well as in retail trade and services.

During August, the average workweek in the manufacturing industries advanced in seven major metropolitan areas. The increase was due to additional hours worked in the automotive and related industries. Average hourly earnings moved up in eight metropolitan statistical areas over the month, causing average weekly earnings in those areas to increase. The largest gains were reflected in Ann Arbor and Detroit, while the largest losses were in the Kalamazoo and Battle Creek metropolitan areas.

MANUFACTURING HOURS AND EARNINGS
Major Labor Market Areas
July and August 1993

Area	Average Weekly Hours		Average Weekly Earnings		Average Hourly Earnings	
	Aug.	Jul.	Aug.	Jul.	Aug.	Jul.
Ann Arbor	45.3	41.9	776.89	683.86	17.15	16.56
Battle Creek	44.3	43.7	734.49	742.90	16.58	17.00
Benton Harbor	42.8	43.7	488.35	487.69	11.41	11.16
Detroit	43.7	42.1	719.30	688.76	16.46	16.36
Flint	43.0	42.5	860.86	841.92	20.02	19.81
Grand Rapids	42.8	42.1	535.43	524.99	12.51	12.47
Jackson	41.9	41.6	454.61	447.20	10.85	10.75
Kalamazoo	43.1	43.3	621.93	655.99	14.43	15.15
Lansing	41.8	38.5	662.95	647.18	15.86	16.81
Muskegon	41.0	41.7	497.74	502.48	12.14	12.05
Saginaw	42.8	43.2	735.30	739.15	17.18	17.11
Upper Peninsula	40.5	39.9	466.15	454.86	11.51	11.40

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AFFIRMATIVE ACTION INFORMATION REPORT, 1992

The publication is designed to assist employers in evaluating the utilization of women and minorities in their work force and in establishing goals to improve such utilization. The report was prepared in accordance with United States Department of Labor guidelines covering the development of affirmative action information as agreed to by the Office of Federal Contract Compliance (OFCC).

The Affirmative Action Report, 1992 contains 1990 census population and occupation information; 1992 labor force demographics and 1993 occupational distribution of job service applicants. The report has been redesigned in a more user friendly format and is more comprehensive containing statistics for the state, its Metropolitan Statistical Areas (MSAs), its Labor Market Areas (LMAs) and the nation. The publication is available for $12.00. All orders must be prepaid.

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